

**SUBJECT: All CPF E-mail - TSP Open Season, 15 Oct - 31 Dec 02**  
**Sent: Tuesday, 17 Sep 02**

We are quickly approaching the beginning of the next Thrift Savings Plan (TSP) Open Season. TSP Open Season begins 15 Oct and runs through 31 Dec 02. I know, it doesn't seem possible that it is time to start over again, especially since our last TSP Open Season just ended on 31 July. However, the Thrift Board announced in their TSP Bulletin #02-12, dated 2 May 02, that after the close of the 15 May through 31 Jul 02 open season, the TSP open season dates would change to 15 Oct through 31 Dec and 15 Apr through 30 Jun. I have no doubt the new dates will take a little getting used to, since the TSP open season dates have remained the same for 15 years. It is our goal to ensure employees are aware of the new dates, so if we seem a bit repetitive you will understand why.

During this open season, 15 Oct - 31 Dec 02, Federal Employees Retirement System (FERS) employees may elect to contribute up to 13 percent of their basic pay and Civil Service Retirement System (CSRS) employees may elect to contribute up to 8 percent of their basic pay. The new contribution amounts will be effective 1 Dec 02, 15 Dec 02, 29 Dec 02 and 12 Jan 03. The effective date of a change in contribution is dependent upon the date the employee makes their contribution election, i.e., if an employee makes their election between 15 Oct and 30 Nov, their new contribution amount will be effective 1 Dec 02, if the employee makes their election between 1 - 14 Dec it will be effective on 15 Dec 02, if the employee makes their election between 15 - 28 Dec it will be effective on 29 Dec 02 and if the employee makes their election between 29 - 31 Dec 02 it will be effective on 12 Jan 03.

This open season BEST is mailing personal letters to all FERS employees who are not participating in TSP, to new FERS employees who are eligible to participate in TSP, and to FERS employees that may be affected by the annual limit on elective deferrals. The letters will be mailed to employee home addresses starting 15 Oct 02. BEST will send you, via a separate All CPF E-mail, copies of the TSP Open Season letters, and as soon as it is released, a copy of the Public Affairs (PA) article.

FERS employees who are affected by the annual limit on elective deferrals (salary was \$91,665.00 or more in 2002) should be cautious regarding the effective date of an increase in their contribution amount. Timing is extremely important to ensure these employees do not reach their annual limit prior to the end of the year which could result in the employee not receiving the full amount of Agency Matching Contributions for the entire year. The Internal Revenue Service (IRS) has announced the annual limit on elective deferrals will increase from \$11,000 in 2002 to \$12,000 in 2003.

The September issue of the BEST Newsletter will be published by the end of September. Look for the article on the TSP Open Season. It provides lots of good information for your folks to read. You can also find information on the BEST Homepage under "What's New," August 2002. More information will be on the Homepage under "What's New" in September.

We appreciate your continued support.

**Chief, Special Operations Division**  
**Air Force Personnel Center**